

Town of Lincoln

Tax Board of Review Meeting

February 1, 2006

Members Present:

Elaine Mondillo, Tom Heskin, Peter Certo, Michael Hill

The meeting was called to order by Elaine Mondillo at 6:00 pm.

The agenda was switched so that Lussier Associates, Wake Robin Partnership and Planned Environments were first on the agenda.

Lussier Associates, Wake Robin Partnership and Planned Environments

Peter Cast, Attorney for Lussier Associates, Wake Robin Partnership and Planned Environments, met with the board to verify that he had already submitted the necessary documentation for them to consider their appeals. The Board did acknowledge the receipt of the documentation.

Washington Hill Apartments

William Regan was present to represent Washington Hill Apartments.

The 2005 assessment of Washington Hill Apartments is \$6,260,000

Filed appeal paperwork considers a fair assessment to be \$5,500,000

When Washington Hill Apartments approached the revaluation firm, it

was determined that they had assessed based primarily on income approach.

Washington Hill Apartments then provided documentation of their income and expenses.

It was determined that net operating income was \$653,398.

While Washington Hill Apartments did not find a 12% capitalization rate unreasonable, they did suggest utilizing other data to develop a capitalization rate.

Michael Hill asked if the revaluation firm had the income and expense information provided for them that the Tax Board of Review had received. It was determined that the firm did have the same information.

Robert Fredette and Erin Casey-Fredette

Robert Fredette and Erin Casey-Fredette were appealing their tangible and real estate taxes as well as their homestead exemption.

It was noted that the Fredettes had been receiving the homestead, but it was recently revoked in part due to a sign in their front yard advertising Erin Casey, Attorney at Law as well as newspaper advertisements and phone book listings.

The Fredettes state that they have not had a home office since 1997 or ever claimed it on their taxes as such. Therefore, they request the reinstatement of their homestead exemption.

The Fredettes claim to have sent back all tangible personal property

forms received with no office reported and have asked not to be sent the forms.

They did agree that up until 1997, when they vacated their law office on Old Louisquisset Pike and purchased their private residence, Erin Casey had a law office.

Lincoln Corporate Center

Stephen Dylag and Paul Surabian were present to represent Lincoln Corporate Center.

The 2005 assessment for Lincoln Corporate Center was \$3,513,300. Lincoln Corporate Center stated on their appeal form that a fair assessment would be \$2,600,000.

It was noted that as of 12/31/2003, one of their buildings was just a shell which still had a dirt floor. Based on this information, they felt that a fair assessment may be \$1,630,000.

Also, it is 10-35% storage space and is only one story, and they do not feel that it is fair that they are taxed at the same rate as first class office spaces.

The Tax Board of Review looked over a packet of information provided to them.

Peter Certo noticed that there was an adjustment made for location in the comparable sales used to make their case, but he asked if there

were any adjustments made for time of sale, because the sales had occurred in 2003. There were not any adjustments made for time of sale, on location.

A.T. Cross

Gardner H. Palmer Jr. was present to represent A.T. Cross.

The 2004/2005 assessment of A.T. Cross was \$9,600,000.

Their opinion of value was \$6,700,000 based on income approach.

The primary disparity was in functional obsolescence which they felt should not be a part of total obsolescence but should be separate.

Also, because the building was constructed over the years it is not at optimum functionality as it would be if built today.

The building is 50% office space, not the optimum 10% for a manufacturing building.

Narragansett Electric

Elaine Urbic was present to represent Narragansett Electric.

Narragansett Electric arrived at a \$13,600,000 assessment using the depreciation schedule provided by the Tax Assessor, however the assessment assigned was \$16,000,000.

Tom Heskin asked whether transportation equipment, such as trucks, would be included in the provided income and expense information. It reportedly was, and would be in the equipment section.

Discussion

All of the cases on the agenda having been heard, the Tax Board of Review proceeded with discussion of the cases.

Elaine Mondillo reported on the status of the letter submitted by the Tax Board of Review to the Town Council regarding the homestead exemption.

In the case of Narragansett Electric, it was noted that they used a 13-year long life asset depreciation schedule and that they did not substantiate their case well enough. The Board felt that they did not address transportation equipment or the long life asset depreciation schedule adequately. The appeal was denied by a vote of 3-0.

In the case of Washington Hill, the decision was deferred. The Tax Board of Review requested additional information regarding net operating income, mortgage rates to reserve, etc.

In the case of Robert Fredette and Erin Casey-Fredette, the decision was deferred pending a decision by the Town Council and General Assembly regarding the homestead exemption and mixed use parcels.

It was noted that the property in question was coded as a single family use.

In the case of A.T. Cross, the appeal was denied by a vote of 3-0.

In the case of Lincoln Corporate Center, the appeal was denied by a vote of 3-0.

The meeting was adjourned at 8:20 pm.